

**UNITED STATES  
PATENT AND TRADEMARK OFFICE**



# Patent Public Advisory Committee Quarterly Meeting

## USPTO Budget Update

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Chief Financial Officer

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# Agenda

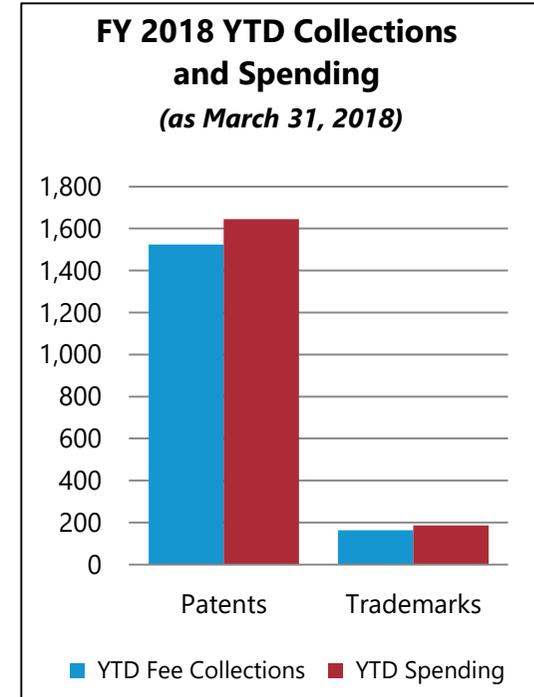
- FY 2018 Status
- FY 2019 Budget
- FY 2020 Budget
- Fee Setting Authority
- Other Topics for Discussion

# FY 2018 Status

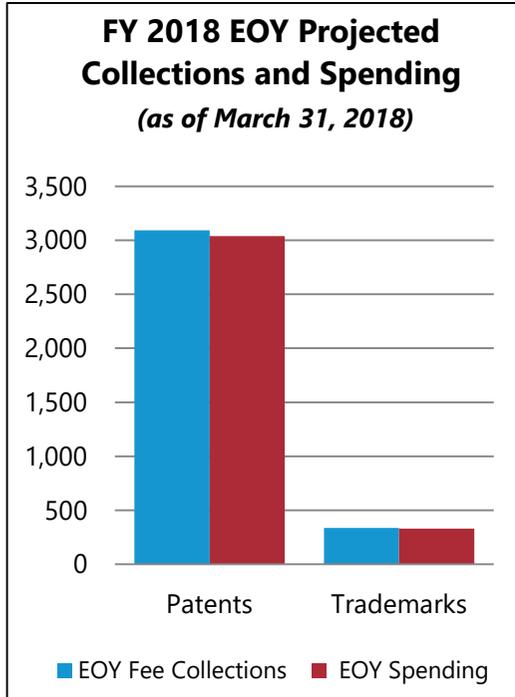
- The Consolidated Appropriations Act, 2018 passed on March 23, 2018
- The bill provides USPTO with \$3.50B for FY 2018 and requires that:
  - Any fees collected in excess of this amount may be deposited in the Patent and Trademark Fee Reserve Fund (PTFRF)
  - \$1M shall be transferred to the Office of the Inspector General for USPTO related investigations and audits

# FY 2018 Status *(continued)*

- As of March 31, 2018, year to date:
  - Planned fee collections of \$1,706.3M
    - Patents: \$1,540.9M Trademarks: \$165.4M
  - Actual fee collections: \$1,687.4M
    - Patents: \$1,524.9M Trademarks: \$162.5M
  - Actual spending: \$1,830.2M
    - Patents: \$1,644.3M, Trademarks: \$185.9M



# FY 2018 Status *(continued)*



- As of March 31, 2018, end of year:
  - Projected fee collections of \$3,430.1M
    - Patents: \$3,093.8M, Trademarks: \$336.3M
  - Projected spending of \$3,368.6M
    - Patents: \$3,038.1M, Trademarks: \$330.5M
  - Projected operating reserve of \$469.6M
    - Patents: \$336.8M, Trademarks: \$132.8M

# FY 2019 Budget

- The FY 2019 President's Budget was released on February 12, 2018
  - The budget reflects the Administration's support of a 10 year extension of USPTO's authority to set fees
    - USPTO still requires legislation to receive this extension of authority
- DoC's appropriation hearing before the House CJS subcommittee occurred on March 20, 2018
- DoC's appropriation hearing before the Senate CJS subcommittee is scheduled for May 10, 2018

# FY 2019 Budget *(continued)*

- Patent's FY 2019 fee estimate is \$3,071.8M
  - The Agency's total fee estimate is \$3,416.4M
- Patent's FY 2019 business line requirement is \$3,119.8M
  - The Agency's total requirement is \$3,461.0M
- The budget places a high priority on:
  - Optimizing the workforce by hiring 390 examiners or roughly 50 over attrition levels with production support to align examination capacity with incoming workload, make progress toward pendency targets and continually improve patent quality
  - Aligning Patent Trial and Appeal Board capacity with workload projections and meeting statutory trial proceeding deadlines

# FY 2020 Budget

- USPTO is working on its FY 2020 OMB budget submission
  - DoC issued guidance in April 2018
  - PACs and DoC will receive a draft to review in late August 2018
  - The final document will be submitted on September 10, 2018

# Fee Setting Authority

- On March 22, 2018, Senators Coons and Hatch introduced the Building Innovation Growth through Data for Intellectual Property Act, or BIG Data for IP Act, to extend the USPTO's fee-setting authority for ten years
- Absent Congressional action, the USPTO's fee setting authority under section 10 of the AIA will expire on September 16, 2018

# Questions and Comments

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